



Mr. Lawrence F. O'Brien  
Special Assistant to the President  
The White House  
Washington, D. C.

Dear Larry:

I am advised that on the approval of the Government Employees Salary Reform Act of 1964 the conference report did not contain necessary language to authorize retroactive payment for the effective period prior to enactment by administrative agencies such as Central Intelligence and the National Security Agency. Despite very close cooperation by the committees of both Houses, procedural difficulties were encountered which did not allow inclusion of this authority in the conference report.

My people are working with the Senate committee on a corrective measure and I would appreciate whatever support you might be able to give. It is my feeling that an inability to treat my people in the same fashion as other Federal employees with regard to the retroactive period is a morale factor worthy of consideration.

Sincerely,

John A. McCone  
Director

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P. S. I tried to telephone you but missed you. I am enclosing a copy of my formal request to Senator Johnston together with a letter we have just received from him expressing his hope and desire that this objective can be accomplished in some other bill before Congress adjourns.

United States Senate

COMMITTEE ON  
POST OFFICE AND CIVIL SERVICE

August 5, 1964

Mr. John S. Warner  
Legislative Counsel  
Central Intelligence Agency  
Washington, D.C.

Dear Mr. Warner:

This is in further response to your letter of July 17, 1964, regarding retroactive pay for Government employees not under the salary schedule.

Because of an opinion by the Parliamentarian of the House of Representatives to the effect that such a change in the bill was not within the rules of conference and would be subject to a point of order on the floor of the House of Representatives, the conferees chose to do nothing on this subject.

I am very hopeful that appropriate language can be enacted to accomplish this objective on some other bill before Congress adjourns.

With kind regards, I am

Sincerely yours,

Olin D. Johnston

**ENCLOSURE**

(a) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of compensation of officers and employees of the Federal Government whose rates of compensation are fixed by administrative action pursuant to law and are not otherwise increased by the Government Employees Salary Reform Act of 1964, are hereby authorized to be increased, effective on or after the first day of the first pay period which began after July 1, 1964, by amounts not to exceed the increases provided by the said Act for corresponding rates of compensation in the appropriate schedule or scale of pay.

11 AUG 11 1964  
(b) Nothing contained in this section shall be deemed to authorize any increase in the rates of compensation of officers and employees whose rates of compensation are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(c) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of compensation may be fixed by administrative action.

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Mr. Kirkpatrick would like to have you review these papers and look into the items raised by Mr. Knoche.

the NSAM 306 (attached)  
Pls note that it has not yet been seen by EA/DCI -- if you plan to hold it for any length of time you'd better send a copy on and tell Mr. Elder you're looking into it , or something.

rita